

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

DIRECTORS:

Joshua Schwieso
Catherine Macadam
Simon Haswell
Patricia Edwards
Melanie Hall
Sally Foxhall
Sonia Hulejczuk
Szilvi Hardwick
Alison Goldie
Lee Spreadbury
Sarah Upfield

REGISTERED OFFICE:

Spaxton Community Stores
High Street
Spaxton
Somerset
TA5 1BS

REGISTERED NUMBER:

IP031164 (England and Wales)

ACCOUNTANTS:

Complete Professional Guidance Limited
Chartered Certified Accountants
42 Weirfield Green
Taunton
Somerset
TA1 1AZ

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of establishing and trading as a village shop for the benefit of the community.

REVIEW OF BUSINESS

The Spaxton Community Shop Society Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014, first registered on 20 January 2011. The registered society is governed by Rules of The Spaxton Community Shop Society Limited.

The Society is committed to trading for the benefit of the community, and not for anyone's private benefit and to retaining profits and applying them to achieve its purpose. Any surpluses held by the society shall, at the discretion of the management committee, be applied to a general reserve for the continuation and development of the society and/or for social or charitable purposes compatible with the objects of the society.

After completion of the building structure in the third quarter of 2014, two months of further investment followed finalising the purchase and installation of fixtures and fittings and the initial stocking of the shop. The building project was completed within budget in January 2015.

The society obtained a seven year lease from Spaxton Village Hall on 22 January 2015 and the shop opened to the general public for trading with a Grand Opening on 7 February 2015. Staffed throughout by a loyal team of local volunteers, the Community Stores additionally appointed its first employee, a Shop Manager in October 2015.

Following a successful application process, during the first quarter of 2016, a Post Office Local counter was opened inside the shop, marking the completion of the Management Committee's original plans for the Spaxton Community Stores.

The attached accounts show the financial position of the society at 31 December 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

Joshua Schwieso
Catherine Macadam
Simon Haswell
Patricia Edwards
Melanie Hall
Sally Foxhall
Sonia Hulejczuk
Szilvi Hardwick
Alison Goldie

Other changes in directors holding office are as follows:

Bridget McWilliam - resigned 23 May 2018
Sian Sedgwick-Wilde - resigned 23 May 2018
Lee Spreadbury - appointed 23 May 2018
Sarah Upfield - appointed 23 May 2018

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Alison Goldie - Director

27 April 2019

**CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

Independent Accountants' Report under Section 85 of the Co-operative and Community Benefit Societies Act 2014

We report to the members on the unaudited accounts for the year ended 31 December 2018 set out on pages 2 to 8.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND REPORTING ACCOUNTANTS

The society's officers are responsible for the preparation of the accounts, and they consider that the society is entitled to opt out of an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

This report is made to the society's members, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the society's members that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members, as a body, for our work or for this report.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the society, and making such limited enquiries of the officers of the society as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

OPINION

In our opinion:

- (a) The accounts, including the revenue account and balance sheet, are in agreement with the accounting records kept by the society under s75 of the Co-operative and Community Benefit Societies Act 2014;
- (b) Having regard only to, and on the basis of, the information contained in those accounting records the revenue account and balance sheet comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- (c) For the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

Complete Professional Guidance Limited
Chartered Certified Accountants
42 Weirfield Green
Taunton
Somerset
TA1 1AZ

29 April 2019

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
TURNOVER		162,810	176,438
Cost of sales		<u>131,865</u>	<u>145,069</u>
GROSS PROFIT		30,945	31,369
Administrative expenses		<u>48,007</u>	<u>47,237</u>
		(17,062)	(15,868)
Other operating income		<u>25,842</u>	<u>25,642</u>
OPERATING PROFIT	4	8,780	9,774
Interest receivable and similar income		<u>63</u>	<u>212</u>
		8,843	9,986
Interest payable and similar expenses		<u>-</u>	<u>4</u>
PROFIT BEFORE TAXATION		8,843	9,982
Tax on profit	5	<u>466</u>	<u>4,471</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>8,377</u></u>	<u><u>5,511</u></u>

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED (REGISTERED NUMBER: IP031164)**

**BALANCE SHEET
31 DECEMBER 2018**

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		53,533		74,848
CURRENT ASSETS					
Stocks		9,598		9,989	
Debtors	7	1,546		1,032	
Cash at bank and in hand		53,007		47,106	
			64,151		58,127
CREDITORS					
Amounts falling due within one year	8	12,474		13,528	
NET CURRENT ASSETS			51,677		44,599
TOTAL ASSETS LESS CURRENT LIABILITIES			105,210		119,447
PROVISIONS FOR LIABILITIES	9		(1,477)		(2,691)
ACCRUALS AND DEFERRED INCOME			(23,559)		(44,874)
NET ASSETS			80,174		71,882
CAPITAL AND RESERVES					
Called up share capital	10		30,470		30,555
Retained earnings			49,704		41,327
SHAREHOLDERS' FUNDS			80,174		71,882

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED (REGISTERED NUMBER: IP031164)**

**BALANCE SHEET - continued
31 DECEMBER 2018**

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 27 April 2019 and were signed on its behalf by:

Joshua Schwieso - Director

Simon Haswell - Director

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	30,520	35,816	66,336
Changes in equity			
Issue of share capital	35	-	35
Total comprehensive income	-	5,511	5,511
Balance at 31 December 2017	<u>30,555</u>	<u>41,327</u>	<u>71,882</u>
Changes in equity			
Issue of share capital	(85)	-	(85)
Total comprehensive income	-	8,377	8,377
Balance at 31 December 2018	<u><u>30,470</u></u>	<u><u>49,704</u></u>	<u><u>80,174</u></u>

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUTORY INFORMATION

The Spaxton Community Shop Society Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Plant and machinery	- 33% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated on a first in, first out basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Grants and donations

Grants and donations are credited to deferred income. Grants and donations towards non-depreciable capital expenditure are netted off of the cost of that asset. Grants towards depreciable capital expenditure are released to the income and expenditure over the expected useful life of the assets. Grants and donations towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

Taxation

The society does not have charitable status and is therefore liable to corporation tax. An estimate of the corporation tax liability due in respect of the taxable surplus for a financial year is included in the statement of financial activities and carried as a creditor until agreed with HM Revenue & Customs and is paid. Once the actual liability is paid any under or over provisioning is charged in or written back through the statement of financial activities.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2017 - 1).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	21,315	21,260

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	1,680	1,780
Deferred tax	(1,214)	2,691
Tax on profit	466	4,471

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2018 and 31 December 2018	104,696	17,918	13,241	135,855
DEPRECIATION				
At 1 January 2018	44,012	11,911	5,084	61,007
Charge for year	14,957	4,363	1,995	21,315
At 31 December 2018	58,969	16,274	7,079	82,322
NET BOOK VALUE				
At 31 December 2018	45,727	1,644	6,162	53,533
At 31 December 2017	60,684	6,007	8,157	74,848

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	1,087	445
Prepayments and accrued income	459	587
	<u>1,546</u>	<u>1,032</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	8,942	9,669
Tax	1,681	1,780
Social security and other taxes	571	299
VAT	51	738
Other creditors	229	42
Accrued expenses	1,000	1,000
	<u>12,474</u>	<u>13,528</u>

9. PROVISIONS FOR LIABILITIES

	2018 £	2017 £
Deferred tax		
Accelerated capital allowances	1,477	2,691
	<u>1,477</u>	<u>2,691</u>
		Deferred tax £
Balance at 1 January 2018		2,691
Credit to Income Statement during year		(1,214)
Balance at 31 December 2018		<u>1,477</u>

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
6,111	Ordinary	£5	<u>30,470</u>	<u>30,555</u>

11. RELATED PARTY DISCLOSURES

By the organisation's very nature, as an Association whose members and Management Committee are shareholders, it is inevitable that transactions with these parties occur. All such transactions are conducted at arm's length and in the normal course of business.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018		2017	
	£	£	£	£
Sales		162,810		176,438
Cost of sales				
Opening stock	9,989		11,909	
Purchases	131,474		143,149	
Closing stock	141,463 (9,598)		155,058 (9,989)	
		131,865		145,069
GROSS PROFIT		30,945		31,369
Other income				
Sundry receipts	4,527		4,382	
Donations	7,939		7,939	
Grants	13,376		13,321	
Deposit account interest	63		212	
		25,905		25,854
		56,850		57,223
Expenditure				
Hire of plant and machinery	-		174	
Rent	106		100	
Rates and water	94		105	
Light and heat	2,304		2,060	
Wages	14,948		14,272	
Pensions	1,257		803	
Telephone	503		490	
Post and stationery	441		355	
Licences and insurance	470		432	
Repairs and renewals	611		367	
Household and cleaning	467		343	
Meeting costs	48		137	
Regulatory fees	211		205	
Sundry expenses	140		114	
Accountancy	2,215		2,089	
Legal and professional fees	180		720	
Donations	1,325		1,906	
Subscriptions	166		358	
		25,486		25,030
		31,364		32,193
Finance costs				
Bank charges	1,206		947	
Bank loan interest	-		4	
		1,206		951
Carried forward		30,158		31,242

This page does not form part of the statutory financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018		2017	
	£	£	£	£
Brought forward		30,158		31,242
Depreciation				
Short leasehold	14,957		14,836	
Plant and machinery	4,363		4,480	
Fixtures and fittings	1,995		1,944	
	<u> </u>	21,315	<u> </u>	21,260
NET PROFIT		<u> </u> <u> </u> 8,843		<u> </u> <u> </u> 9,982